

## REMARKS

Claims 1-17 stand rejected. No claims are cancelled or added. Accordingly, claims 1-17 are at issue.

Claims 1-4 and 6-8 stand rejected under 35 U.S.C. §102(e) as being anticipated by Dent, U.S. Patent No. 6,311,171.

Claim 1 claims, inter alia, a first electronic transaction device transferring payment information to a second electronic transaction device and the second transaction device transferring value information to the first electronic transaction device. The cited portion of Dent, in contrast, discloses transferring a payment (e.g., virtual coins 12) from a smart card or other memory device to a point of sale terminal in exchange for merchandise. Dent, col. 3, in 55-67. Therefore, Dent does not disclose transferring value information from the second electronic transaction device to the first electronic transaction device.

Claim 1 further claims the second electronic transaction device transferring value information and payment information to a service consolidation center. The cited portion of Dent, in contrast, discloses the POS terminal sending encrypted coins received from wallets to the corporate computer for verification. The virtual coins cannot comprise both value information and payment information. Because Dent does not disclose each of the elements of claim 1, claim 1 is not anticipated. Also, claims 2-4 and 6-8 depend directly or indirectly from claim 1, and are not anticipated by Dent for the same reason.

Claim 2 further claims that the value information comprises a virtual card. Because the POS in Dent does not transfer value information to the smart card or other memory device, it cannot transfer value information in the form of a virtual card. Claim 2 is not anticipated by

Dent for this additional reason. Also, claims 3 and 4, which depend from claim 2, are not anticipated for this additional reason.

Claim 3 depends from claim 2 and further recites that the virtual card comprises an authorization code. As set forth above, Dent does not disclose transferring a virtual card to the smart card. The encryption keys described by Dent are not the same as an authorization code. See, e.g., application at pp. 4-5 (describing conventional plastic cards having a "code" that is manually entered in a handset); p. 20 (in one aspect of the invention, a "virtual card" is an electronic version of a plastic card, and the authorization code is electronically transferred). Because Dent does not disclose the transfer of such an authorization code, claim 3 is not anticipated for this additional reason.

Claim 4 depends from claim 2 and further recites that the virtual card comprises an image of a card. Dent does not disclose transferring a virtual card, nor does Dent disclose transferring an image of a virtual card. Claim 4 is not anticipated for this additional reason.

Claims 5, 9-16 stand rejected under 35 U.S.C. §103(a) as unpatentable over Dent in view of Fougnyes (U.S. Pub. No. 20010021648).

Claim 5 depends from claim 1 and further recites that the value information comprises a quantity of minutes corresponding to a pre-paid telephone account. As set forth above with respect to claim 1, Dent does not disclose the second electronic transaction device transferring value information back to the first electronic transaction device. Fougnyes, which appears to rely on conventional plastic cards, does not solve this deficiency in Dent and does not solve or address the disadvantages of distributing cards on physical media. See. Application, p.6, ll. 9-22. Neither Dent nor Fougnyes, either alone or in combination, disclose a second electronic

transaction device transferring value information comprising a quantity of minutes corresponding to a prepaid telephone account to a first electronic transaction device. Because not all of the elements have been disclosed by Dent or Fournies, claim 5 is not rendered obvious by a combination of Dent and Fournies.

Claim 9 recites, inter alia, entering value purchased information and subscriber information in a retailer electronic transaction device (electronic transaction device and the retailer electronic transaction device transferring both the value purchased information and the subscriber information to a mobile operator. The cited portion of Fournies, in contrast, discloses a retail outlets making available for purchase prepaid calling cards. Fournies, ¶0057. The POS system described in Fournies at ¶¶0058-59 appears to be different from the retail outlets described in ¶0057. This difference is made apparent in Fournies at ¶0060, which describes how the subscriber purchases a card from a retail outlet, enters the card number into the keypad of cellular telephone handset, and presses "send." This is essentially the disadvantageous prior art system described in the Application at p. 4, l. 20 - p. 5, l. 4. Accordingly, Fournies does not solve the problem of plastic cards as solved by the present invention. Moreover, there is no disclosure of the first step of claim 9, which requires value purchased information and subscriber information to be entered into a retailer electronic transaction device. Fournies also fails to disclose a retailer electronic transaction device transferring such information to a mobile operator. As set forth above, Fournies teaches the opposite - - i.e., for the subscriber to do it. Dent fails to supply any disclosure corresponding to the deficiencies of Fournies. Because neither Dent nor Fournies discloses all of the elements of claim 9, claim 9 cannot be rendered

obvious by these publications. Accordingly, claim 9, and claims 10 and 11 which depend from claim 9, are believed allowable.

The combination of Dent and Fournies is also improper. Fournies teaches away from the present invention by requiring distribution and sale of plastic cards. Dent does not suggest that the disadvantages in plastic prepaid calling cards can be solved through the use of the disclosure in Dent. Accordingly, there has not been shown any motivation to combine the publications.

Claim 12 recites, inter alia, creating a virtual pre-paid card, downloading the virtual pre-paid card to a retailer electronic transaction device, and transferring the card to a MO subscriber handset. In Dent, in contrast, virtual coins are issued by a bank (not a retailer) to a specific customer and are stored in a smart card or electronic wallet. Dent, col. 3, ll. 54-65. The retailer accepts the coins in exchange for merchandise. Dent, col. 3, ll. 66-67. There is no mention of creating a virtual prepaid card, downloading a virtual card to the retailer electronic transaction device, or transferring a virtual card from a retailer to a MO subscriber handset. As set forth above, Fournies teaches plastic prepaid cards, not virtual cards. Because Dent and Fournies either alone or in combination does not teach all of the elements of claim 12, claim 12 is believed allowable over these publications. Also, claims 13-16, which depend directly or indirectly from claim 12, are also believed allowable for the same reasons.

Regarding claim 13, the examiner cites a portion of Dent as disclosing a transfer of payment information from a MO subscriber handset to a retailer electronic transaction device. While not all of the characterizations are agreed with (e.g., that a conventional POS may be considered a retailer electronic transaction device), the assertion serves to illustrate the

deficiency of Dent with respect to claim 12. If the transfer of the virtual coins from a handset to a retailer comprises "payment information" as recited in claim 13, the transfer of the virtual coins cannot also be considered a transfer of a virtual card from the retailer electronic transaction device to the handset as recited in claim 12. Furthermore, claim 13 requires a two-way electronic transaction, which is not taught or disclosed in Dent. Claim 13 is believed allowable for this additional reason.

With respect to claim 14, Dent teaches a bank creating virtual coins, which is distinct from an electronic transaction device service center creating a virtual prepaid card. Claim 14 is believed allowable for this additional reason.

Claim 16 depends from claim 14 and further claims that the step of downloading the virtual card to a retailer electronic transaction device occurs via a MO switch. In contrast, Fougnyes discloses a retailer stocking and selling conventional plastic cards. There are no virtual cards downloaded to a retailer. Accordingly, there can be no virtual cards downloaded to a retailer electronic transaction device via a MO switch. Indeed, there does not appear to be any disclosure of a MO switch transmitting any information to a retailer in Fougnyes. Accordingly, claim 16 is believed allowable for this additional reason.

Claim 17 stands rejected under 35 U.S.C. § 103(a) as unpatentable over Dent in view of Fougnyes in further view of Tushie, U.S. Patent No. 6,202,155.

Claim 17 depends from claim 12 and further recites that the steps of creating a virtual card comprises creating a plurality of virtual cards and the step of downloading the virtual card to a retailer electronic transaction device comprise downloading batches of virtual transaction cards to the retailer electronic transaction device. The remarks set forth above with respect to

claim 12 are incorporated herein. As set forth above, neither Dent nor Fournies discloses downloading a virtual prepaid card to a retailer electronic transaction device. Similarly, Tushie does not disclose transferring a virtual prepaid card to a retailer electronic transaction device. In contrast, Tushie appears to disclose transferring information to equipment to manufacture a "physical transaction card." Tushie, Col. 2, ll. 51-54). Because neither Tushie, Dent, or Fournies disclose the additional element of claim 17, claim 17 is believed allowable for this additional reason.

Applicant respectfully submits that the claims are in condition for allowance, and such action is earnestly submitted. If the Examiner find that there are any outstanding issues which may be resolved by a telephone interview, the Examiner is invited to contact the undersigned at the below listed number.

Respectfully submitted,

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